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ABSTRACT

A survey of 491 Ohio employers of Job Training Partnership Act (JTPA) terminees conducted in November 1989 received 346 responses. Employers were queried on attitudes toward JTPA terminees, wage subsidies, employee productivity, wages paid, benefits given, and retention, among other questions. Employees who had completed JTPA programs and were working for these employers were also surveyed (386 of 551 responded). Despite problems in data collection and lack of congruence between employer and employee responses, some conclusions were reached: (1) employers' attitudes toward the importance of wage subsidies declined during the 3 years surveys had been conducted; (2) employers who paid higher wages and offered benefits were more likely to retain employees; (3) wage subsidies were helpful in encouraging employers to offer higher wages; (4) employers viewed productivity of JTPA program terminees and non-JTPA employees as about equal; and (5) the percentage of employers who say the benefits outweigh the costs of hiring dropped from 51 percent to 33 percent in the past 3 years. The study recommended that the employer survey be completely redesigned to gather information for planning and policy development. (KC)

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Survey of Ohio Employers

Job Training Partnership Program Year 1988

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PY 1988 -- Employer Survey

This report presents the findings from the PY88 Survey of Employers. Appendix A describes the methodology followed in conducting the survey and includes a copy of the survey instrument used. The survey consisted of two distinct portions. The first portion sought employer attitudes and opinions about the job training program itself. The second portion requested specific verification information about the terminee sampled.

I. EMPLOYER ATTITUDES AND OPINIONS

Section A

These questions were asked of all respondents.

1. Are you familiar with any of the programs sponsored by the Job Training Partnership Act (JTPA) or Private Industry Council (PIC) in your local areas?

Of the 346 returned questionnaires, 74% of the businesses were familiar with JTPA or PIC.

2. Has your company or organization ever had any involvement with a JTPA/PIC sponsored program? IF YES, how long ago did participation take place?

On this question, 65% of the companies reported involvement with JTPA/PIC, with 26% reporting current participation, and an additional 26% indicating participation in the last 12 months.

3. Are you aware of any employees hired by your firm who have been involved in a JTPA/PIC program?

The employer sample for PY88 was a random sample of first employers after termination, the same as the last two surveys. Since a number of terminees had found their own jobs, it is very likely that numerous employers were unaware of JTP involvement on the part of their employees. This question was used to filter those employers out of the Section B questions which ask about terminee performance.

In all, 63% of the employers indicated awareness of involvement. Of those 218 companies, 27% were current participants in the program and another 27% had participated in the past year.

Section B

These questions were asked only of employers who were aware of employees in their organization who had participated in JTPA. Where questions from the previous two surveys are comparable, responses are shown.

4. How would you rate the quality of work done by employees who were previously JTPA/PIC participants compared to your other employees who do similar work? Numbers are percents.

	PY86	PY87	PY88
JTPA employees provide much better quality	2	2	2
JTPA employees provide better quality	23	18	15
No difference in quality of work	63	67	70
JTPA employees provide worse quality	7	8	8
JTPA employees provide much worse quality	0	1	1
No response	5	5	5
Respondents	(155)	(199)	(218)

The trend over the last three years indicates that fewer employers perceive the quality of work provided by JTPA employees as being better than other employers. The "worse" category is not increasing, however.

5. How would you rate the productivity of employees who were previously JTPA/PIC participants compared to your other employees who do similar work? Numbers are percents.

	PY86	PY87	PY88
JTPA employees are much more productive	2	3	2
JTPA employees are more productive	19	21	15
No difference in productivity	60	64	67
JTPA employees are less productive	12	8	12
JTPA employees are much less productive	0	1	1
No response	7	4	4
Respondents	(156)	(199)	(218)

Slightly lower percentages reporting JTP employees are "more productive" are noted since 1986. These differences, however, are sufficiently slight that they could be due to nothing more than sampling variance.

6. How would you rate the amount of training required by employees who were previously JTPA/PIC participants compared to your other employees who do similar work? Numbers are percents.

	PY86	PY87	PY88
JTPA employees need much less training			3
JTPA employees need less training	14	16	12
No difference in the amount of training	64	61	67
JTPA employees need more training	16	10	12
JTPA employees need much more training			3
No response	6	12	3
Respondents	(154)	(198)	(218)

In PY86 and PY87, only three response categories were offered to the respondent in question 6.

7. **Do you feel that JTPA/PIC is a good source of skilled labor?** Numbers are percents.

	PY86	PY87	PY88
Always	6	6	8
Usually	37	38	42
Sometimes	49	40	42
Rarely	7	8	5
Never	1	1	0
No response	10	8	3
Respondents	(156)	(199)	(218)

8. **In the last 12 months, how many persons has your firm hired?** Numbers are percents.

JTPA Participants	PY86	PY87	PY88
None	11	6	15
1-2	29	44	43
3-5	23	20	16
6-10	17	11	12
more than 10	5	20	13
Respondents	(119)	(160)	(164)

Since each year's sample is different, the responses to this question can be highly sensitive to the individual companies included. Consequently, one should be very cautious in comparing data across years.

9. **What is the average length of employment for JTPA/PIC participants in your firm?** For this question, nonresponse is eliminated so that the percentages will be more comparable. Numbers are percents.

	PY86	PY87	PY88
1 to 3 months	12	14	10
4 to 6 months	13	17	14
7 to 9 months	10	12	9
10 to 12 months	10	13	14
More than 12 months	56	44	55
Respondents	(154)	(196)	(200)

10. When considering the costs versus the benefits of hiring typical JTPA/PIC participants, do you feel that:

	PY86	PY87	PY88
Costs outweigh the benefits	7	8	8
Benefits outweigh the costs	51	43	33
Costs and benefits are about the same	22	26	45
No opinion	20	22	13
Respondents	(154)	(198)	(218)

Numbers in the above table are percents. The category of "benefits outweighing costs" has decreased dramatically since 1986 while the "balanced costs and benefits" category has increased. This would indicate that employers see less benefit to hiring JTP employees now than they did three years ago. The next question asks about several perceived benefits and shows information consistent with question 10.

11. How important are the following factors in deciding to hire JTPA/PIC participants? Please rate from 1 to 5 where "1" is extremely important and "5" is not at all important. Circle the appropriate number. The table below shows the percentage of respondents rating this factor as "extremely important". The total number of respondents answering each question is shown in parentheses.

	PY86	PY87	PY88
Lower recruitment cost	31%	27%	23%
	(141)	(180)	(218)
Lower training cost	19%	25%	15%
	(140)	(180)	(218)
Subsidy provided	45%	39%	31%
	(141)	(185)	(218)
Help our corporate image	14%	11%	9%
	(140)	(181)	(218)

In all cases, the importance of the four benefits we asked about has decreased considerably since 1986.

12. How likely is your firm to hire additional JTPA/PIC participants in the future? Numbers are percents.

	PY86	PY87	PY88
Very likely	52	52	42
Somewhat likely	35	33	44
Not very likely	3	5	9
Not at all likely	3	4	1
No response	7	7	5
Respondents	(156)	(199)	(218)

Section C

These questions were asked about individual employees.

6. Did you receive a subsidy to train this worker through on-the-job training, targeted jobs tax credit or customized training? Numbers are percents.

Yes	40
No	48
No Answer	13
Respondents	(385)

7. Does your company offer medical insurance or health benefits? Numbers are percents.

Yes	78
No	15
No Answer	7
Respondents	(385)

7a. IF YES, Is this employee eligible for coverage? Numbers are percents.

Yes	73
No	21
No Answer	6
Respondents	(302)

7a1. IF YES, is coverage available to the employee's family? Numbers are percents.

Yes	93
No	2
No Answer	5
Respondents	(219)

7b. Who pays for the coverage?

Employee	6
Employer	29
Shared	57
No Answer	8
Respondents	(302)

8. Is sick leave available to your employees? Numbers are percents.

Yes	65
No	25
No Answer	9
Respondents	(385)

8a. IF YES, is this employee eligible for sick leave? Numbers are percents.

Yes	76
No	19
No Answer	5
Respondents	(252)

8b. Is sick leave paid or unpaid? Numbers are percents.

Paid	72
Unpaid	21
No Answer	7
Respondents	(252)

9. Many JTPA/PIC programs are designed to improve an individual's job seeking and/or employment skills. The following series of questions asks you to assess various aspects of this employee's training and abilities. Circle one response for each question. All percentages are based on 385 questionnaires.

	Very good	Ade-quate	Poor	Not Ap-plicable	No Re-sponse
Resume skills	12%	36	5	25	21
Employee appearance	26%	52	4	1	17
Overall work attitude	33%	39	11	1	16
Communication skills	21%	52	8	2	17
Acceptance of advice and supervision	32%	44	7	1	17
Ability to get along with fellow workers	34%	45	4	1	17
Attendance and punctuality	38%	34	12	0	16
Job related skills and knowledge	24%	49	9	1	17
Math and computation skills	15%	41	6	18	19
Ability to use job related equipment	26%	51	3	3	17
Ability to work without supervision	27%	42	10	5	17

The survey in the first two years gathered this information in a very different format and cannot be used for direct comparison. What is striking about the above table is the extremely high percentage of "not applicable" responses for Resume skills and Math and computation skills. The following is a repeat of the above table with Not Applicable and No Response removed and allows a more direct comparison among the categories.

	Very good	Adequate	Poor	Respon-dents
Resume skills	22%	67	10	(206)
Employee appearance	31%	63	5	(316)
Overall work attitude	40%	47	14	(319)
Communication skills	26%	64	10	(313)
Acceptance of advice and supervision	38%	53	9	(319)
Ability to get along with fellow workers	41%	54	4	(318)
Attendance and punctuality	45%	40	15	(322)
Job related skills and knowledge	30%	60	11	(318)
Math and computation skills	24%	66	10	(241)
Ability to use job related equipment	33%	64	3	(309)
Ability to work without supervision	34%	53	13	(303)

It is interesting to note that "Overall Work Attitude" and "Attendance and Punctuality" receive among the highest percentage of "very good" scores as well as the highest percentage of "poor" scores.

10. Which one of the following broad categories best describes this employee's occupation?
Based on 385 questionnaires. Numbers are percents.

Service	24
Benchwork/Fabrication/Repair	19
Professional, Technical, Managerial	11
Clerical, Sales	13
Misc. Transportation, Material Handling, and Mining	9
Processing Occupations	7
Machine Trades	6
Structural Work/Construction	3
Agriculture, Fishing, Forestry	2
Not Answered	6

II. VALIDATION

A. Problems in Interpretation

The purpose of validation is to answer the question -- how accurate is the information provided by the program terminee. Unfortunately, there are numerous ways in which data communicated to us by the terminee and by the employer can end up showing low validation when that is not the case. These are just three of the categories of problems in the validation process.

Time Period

Our information is collected on a reference week that begins with a Sunday and ends with a Saturday. Not all employers have that data for equivalent periods of time. We have encountered some employers who end their work week for accounting purposes on Wednesday.

Collection Error

The reference week data is collected on all employers for the employee during that reference week. We have always been concerned, even when we have an interviewer conducting the survey, that there can be error in reporting biweekly instead of weekly earnings. There is also error in net versus gross. The quality of record keeping in employer personnel departments is also very much a concern. In addition, the distinction between "earned" and "collected" is confusing to both terminees and employers.

Vacation/Sick Leave

It is possible for the employee, despite probing, to report no earnings when they were actually on paid sick leave or vacation. The employer survey questions dealing with this can also be interpreted that a valid employee would not be reported as working in the reference week if they were on leave.

The bottom line is that in making these comparisons between terminee and employer data, we tend to consider the employer data as being the most accurate. Experience, however, suggests that that is not always the case.

B. Work in Reference Week

The degree of congruity between the employer and terminee surveys has increased markedly since 1986. We count as a positive match all cases in which the terminee and employer agree as to whether the terminee was working in the reference week. In each successive survey, we attempted to improve the phrasing of the questions to achieve more accurate reporting.

1986 - 67% correspondence (351)

1987 - 77% correspondence (388)

1988 - 90% c[illegible]ence (371)

In a later question in the employer survey we ask whether the terminee is employed at the date of this interview. Eleven terminees were listed as not working in the reference week, but employed at the time of the survey. This may be caused by the terminee being on leave in the reference week or by being laid off and later recalled. We do not know.

C. Hours Worked

How many hours did the terminee work in the reference week? This very simple question is not easy to answer because of certain problems.

The first problem is that we are dealing with an individual's recollection. The second problem is that all time worked is not paid. The third problem deals with accuracy of employer records. The fourth problem is that our question folds all jobs and work done on the side into that one variable.

The fifth problem is that this match can only be made on those respondents working for the first employer in the reference week. From our sample of 385, we can only get verification information on 265.

In the three surveys conducted so far, terminee and employer means have been very close -- data matching at the aggregate level. The one to one comparisons, however, have not been good.

Hours Worked in Reference Week

	Terminee Report	Employer Report	Correlation	Respondents
PY86	37	37	.60	(320)
PY87	37	38	.55	(369)
PY88	38	38	.50	(266)

In PY88, only 43% of the persons working in the reference week matched hours exactly with the employer report. The data ranged from the employer reporting 44 more hours than the terminee to the terminee reporting 32 more hours than the employer. The standard deviation was 9 hours. This obviously makes us suspicious that hours worked and earnings have sometimes been reported to us as biweekly instead of weekly sums.

In general, a higher percentage of terminees reported working more hours than the employer reported. Even if we assume a 5% acceptable error range, only 53% of the cases would match.

Employers Reported More:	26%
Matched Exactly:	43%
Terminees Reported More:	31%

What is the conclusion of this? We have some thoughts, but we will share those after we look at the correspondence of wage reporting.

D. Wages Earned

We have already briefly touched on the problems with this measurement. We have difficulties in matching what is included in gross wages, whether gross or take-home was reported, whether other income was included, biweekly versus weekly, and lack of correspondence of reporting periods.

Earnings in Reference Week

	Terminee Report	Employer Report	Correlation	Respondents
PY86	$225	$234	.75	(251)
PY87	$230	$255	.74	(254)
PY88	$243	$237	.66	(266)

Since the terminee survey asks about extra income earned, and we do not know if that was from the same job, the numbers above deleted those extra amounts. What can we conclude from these problems?

Validation using the employer survey requires two things: more detailed data collection at the terminee level and equivalent additional specification at the employer level. Since DOL requires that all information reported on the JASR be collected directly from the terminee, we are in a policy position in which terminee data must be considered accurate regardless of any other information that we have.

The proposed shift to wage record verification as a validation method, however, requires us to be cautious about the accuracy of the data which employers collect and, more importantly, report to the government. Those concerns are beyond the scope of this report.

The question then becomes whether this employer validation as currently designed has any real value and is worth any expenditure of limited funds.

E. Reasons Left Employer

The reasons that terminees and employers report for jobs ending run quite a range and match up no better this year than in years past. Across all three years, only about two thirds of the responses can reasonably be assumed to be matches.

Because the number of respondents in the different cells is very small, comparison of employer and terminee responses is at best tenuous. The employer survey reported 9 terminees were fired, but only two terminees agreed. Of the other 7 terminees whose employer said were fired, 2 said they were laid off, 1 reported their job ended, 2 others said they left for another job, 1 left for job dissatisfaction and 1 said they left because of low pay.

III. THE IMPACT OF SUBSIDY

Concern has been expressed in numerous national forums about abuses of the JTP program by employers. One of the potential abuses cited concerns the use of the subsidy to hire cheap labor, keep them a while, lay them off or fire them after the subsidy runs out, and then get more subsidized personnel.

We asked the employer if they received a subsidy for this employee. As previously reported, 40% said they did.

Our survey deals with two time periods: the reference week and the time at which the survey was completed.

The reference week is the 13th full week after the participant was administratively terminated by the SDA. This is the week for which all DOL data is collected. The week the employer survey was completed could have been from 41 to 74 weeks after the reference week.

There were virtually no differences in retention rates looking at those employees with a subsidy and those without. Numbers of terminees upon which the percentages are based are shown in parentheses (subsidy/non-subsidy).

In the reference week, retention was 75% for subsidy terminees, and 76% for non-subsidy (153/181). At the time of the survey, retention was 58% for subsidy terminees, and 55% for non-subsidy (153/182).

We looked deeper into the situation and examined the differences in benefits policies of companies receiving subsidy employees and those without subsidy. Here some interesting differences emerged.

We found that 86% of the companies using the subsidy offered health benefits compared to 82% of the balance (152/177). Moreover, 83% of the subsidy terminees were eligible for health benefits compared to only 73% of the non-subsidy terminees (126/137).

Terminees' families were covered in 100% of the cases in which the employee was eligible compared to 96% family coverage for eligible non-subsidy employees (153/93).

The pattern of payment for these benefits was markedly different between the two types of employers. Numbers are percents.

Who Pays for Health Benefits

	Subsidy	Non-Subsidy
Employer Pay	39	24
Shared Cost	59	64
Employee Pay	2	11
Respondents	(122)	(135)

A much higher percentage of the subsidy employers cover the full cost, while fewer make the employee pay everything.

We also looked at sick leave. Of the subsidy employers, 73% offer sick leave compared with 72% of the others. Of those offering sick leave, 90% of the terminees with subsidy employers are eligible for these benefits, compared with 72% of the terminees at other employers.

Whether or not sick leave is paid varies slightly by category of employer with 74% of the subsidy employers offering paid leave compared with 80% of the non-subsidy.

While far too little data is here to make any definitive conclusions about subsidy abuse, the above questions would seem to suggest that employers may be using the subsidy to advantage and providing more real benefits to their employees.

IV. THE ISSUE OF RETENTION

Finding a person a job is part of the problem. Having them stay in that job is another. We looked at our two time variables -- in the job at the reference week and in the job at the time of the employer survey -- to see if differences in retention could be related to benefits received.

The first table looks at four separate populations. Numbers are percents. Respondents are in parentheses. The proper way to read the table is as follows: 85% of the persons still at their first job post termination were with companies that offered health benefits. 83% of those persons still at their first job post termination were with companies that offered health benefits that the terminee was eligible to receive. And so on. These categories are from Section C questions 7 through 7b.

Retention and Health Benefits

	Retained in Ref. Week		Retained At Emp. Survey	
	Still There	Left	Still There	Left
Benefits Available	85	80	89	79
	(268)	(86)	(197)	(156)
Terminee Eligible	83	59	91	58
	(219)	(61)	(170)	(111)
Family Covered	99	94	99	95
	(171)	(35)	(146)	(61)
Employer Paid	29	40	30	34
Shared Cost	66	48	65	58
Employee Paid	5	11	5	8
	(212)	(62)	(165)	(109)

More of the terminees in the job at the reference week had health benefits available, more were eligible and more had family coverage. Even though the employer paid the health benefit cost in fewer cases, significantly more terminees received paid coverage since so many more were eligible.

We also looked at sick leave. This table is read the same as the previous one. This is based on Section C questions 8 through 8b.

Retention and Sick Leave

	Retained in Ref. Week		Retained At Emp. Survey	
	Still There	Left	Still There	Left
Leave Available	75	63	80	63
	(263)	(82)	(193)	(152)
Terminee Eligible	85	62	94	55
	(190)	(47)	(154)	(83)
Leave Paid	77	79	80	73
	(191)	(43)	(155)	(78)

Because of various employer policies, an employee frequently has to be on the job for a prescribed minimum time period before being able to receive different benefits. Even so, this information based on 13 week retention strongly points to the availability of benefits being positively related to employment retention.

It is very important to note that the second time variable generally measures retention at 54 to 88 weeks after termination.

Although the differences between the two time periods are hardly dramatic, they are definite and consistently point to the fact that employers who are offering basic benefits enjoy significantly higher rates of retention among their JTP terminee employees.

V. WAGES AND RELATION TO OTHER ISSUES

Many additional questions are raised by reading this report. Each time we thought we were almost done, we had to return to the computer and ask it more questions. This is one of those sections. Here we will look at wages in two ways -- average or mean wage and wages recoded into three groups -- and what relationship the hourly rate has with other issues we've discussed.

A. Average Hourly Wage

Our questionnaire asked two different hourly wage questions, about starting wage and about current or ending wage. We had 322 cases where we had no missing data. In some missing cases the employer would not provide this information and in some others, the terminee was not paid on an hourly basis.

Overall we found an average wage at hiring of $5.69 with a standard deviation of $2.16. At the time the employer was interviewed, the current or ending wage of these individuals was $6.47 plus or minus $2.55. Terminees over the course of their employment received an average hourly raise of 78¢, or 14%.

That itself is interesting since a recent attack on JTPA quotes GAO data claiming "most JTPA graduates earn less than $5 an hour on their first subsequent job . . ." Our survey shows only 39% of the terminees had a starting salary under $5.00 and only 28% are under $5.00 at the time when the employer survey was conducted.

Looking at this information by subgroup provides additional insight into experiences.

One analysis we ran looked at the wages of terminees according to their title of service and welfare status.

The highest average starting salary was Title III at $6.51 followed by Title IIA Non-welfare at $5.82 and then Title IIA Welfare at $5.44. The gap narrows, however, about a year later since the Title III had the lowest average raise. Wages at the time of the employer survey were again, and predictably, highest for Title III at $7.09, Title IIA Non-welfare at $6.62 and Title IIA Welfare at $6.21.

We also looked at persons who were "placed," or employed, at termination compared with those who subsequently found their own jobs. Knowledge of how these programs work and the populations being served clearly indicates experientially that those persons not placed at termination are the least job ready and most difficult to help. Therefore, learning that the starting wage at first job post termination is $5.77 for those placed versus $4.96 for those not placed at termination comes as no surprise. The gap unfortunately widens over a year with wage at the time of the employer survey being $6.57 for placed at termination versus $5.55 for those not placed.

Consistent with what we have already reported about the employer subsidies, we found that subsidy employees were hired at a slightly higher wage ($5.88 compared with $5.63) but also experienced a higher average raise from the time of hiring until the employer survey -- 93¢ an hour for subsidy terminees versus 66¢ an hour for non-subsidy.

With respect to the issue of benefits, those companies oriented to providing benefits also provide better pay with starting wages averaging $5.89 (compared with $4.62 for companies not offering health benefits) and raises averaging 87¢ (compared with 32¢.

The only other interesting difference we encountered in the health benefits questions came in the question about who paid for the insurance. Whether the cost was shared or the employer paid it, the starting wage was virtually the same, about $5.95 an hour. But for those companies in which the employee paid the whole cost, starting wage was only $4.87. Those earning the least, in other words, received even less net income if they chose to pay for health benefits.

Similar findings show up in the analysis of sick leave. Those employers offering this benefit also pay the employee more.

B. Categories of Hourly Wage

In our preliminary report on employment retention (*Factors Affecting Employment Retention)*, we recoded hourly wage into three categories: less than $5.00 an hour, $5.00 to $6.99, and $7.00 and over.

There was no relation between starting wage and employment in week 13; 75% to 77% of the terminees were still there. However the relationship of both starting and current wage with employment at the time of the employer interview was highly significant. Only 49% of those with a starting wage under $5 were still employed, as were 54% of those earning $5-$7, and 66% of those starting above $7.

When current wage and current employment are viewed, the differences are even more dramatic. Of those still earning less than $5, only 41% had stayed with the employer, 50% of those earning $5-$7, and 72% of those making more than $7.

The point made frequently about the importance of health benefits is confirmed with this data as well.

We calculated by wage bracket, what percentage of terminees were still with the employer if the employer offered health benefits that the terminee was eligible for. The combination of insurance and higher wages resulted in longer retention.

For those earning less than $5 an hour at the time of the survey, 59% of those who had insurance were still at the employer. That increases to 64% in the $5-$7 bracket and up to 80% in the $7+ category.

Compare that to the same percentages for persons who had no insurance. Of those earning less than $5 and not having insurance, only 30% were retained. Only 25% of those in the second bracket were retained which drops to 22% for those earning $7 or more.

As wages increase, but no benefits are available, retention drops.

VI. CONCLUSIONS

Overall, one must ask the question of the purpose of this survey and whether future surveys, if conducted, should move into additional, more useful arenas of data collection. The addition of the benefits questions this year has proven to be extremely useful. Parts A and B, as presently designed, simply aren't providing very much new and useful information.

The two most interesting findings from the opinion section of the survey came from questions 10 and 11. In question 10 we asked about costs versus benefits of hiring JTPA participants. When the no opinion is dropped out, the percentage of persons who say the costs outweigh the benefits plummets from 64% in the 1986 survey to 38% in the current survey. Why?

In question 11 we asked about four factors in deciding to hire JTP participants. In all cases, the percentage saying the factor was very important has declined dramatically from 1986. This is consistent with the response to question 10. There is no particular strong reason to hire JTP. Even with providing the subsidy, the percentage saying this was very important dropped from 45% to 31%. The gut feel is that this is showing a problem, but the data in the survey is not able to be specific.

The real value in the PY88 survey comes from the new questions about benefits. We found that the subsidy to the employers may be allowing people to start at a higher entrance wage and have more benefits with the result that they are retained longer. While the retention portion of that statement is not overwhelmingly in favor of subsidy, the benefits portion is.

The relationship of starting wage, health benefits and job retention is unambiguous.

In terms of the employer survey used as a validation mechanism, such continued use will require a complete rethinking of the process and the questions on both the terminee and employer survey. There are simply too many areas for misinterpretation and non-comparability of data for this current design to have any real value.

We recommend that the entire employer survey be completely redesigned to gather valuable information for planning and policy development. If validation continues, a much better job should be done in PY90 at designing an integrated terminee and employer survey understanding, as we now do, how valuable the cross-analysis can be.

Analyzing the data for this year's survey has given us all some new insights. It has also raised new questions which could not be answered this year. The PY89 employer will be stronger because of what has been learned this time.

Appendix A. METHODOLOGY

As in the past two surveys, the survey was conducted with the first employer for whom a terminee worked after leaving the JTPA program. The random sample was selected from employers within the first 34 weeks of PY88 (1 July 1988 through 4 March 1989).

Terminees were preselected for the sample by the computer during the sample selection process to be included in the 13 week follow-up. Employer specific information was gathered only on those persons who were both preselected and employed at some time in the 13 week period.

After the sample was selected, we eliminated all cases in which the individual was self-employed, the company had gone out of business, or the employer was the military or a company located outside of Ohio.

We began with 621 cases and after eliminations the initial sample for employers was 502. Because the individual was sampled and not the company, these 502 companies employed 567 terminees.

Interviewers contacted each sampled company to verify the mailing address and to get a name for a contact person to receive the survey. In this process, other companies were discovered to be out of business or unlocatable. The final sample was 491 companies and 551 individuals. We received 346 usable responses from companies (the first portion of the survey) and useable information on 386 terminees, with response rates of 70%.

The first wave of the survey was mailed 11 November 1989. On 7 December, interviewers began making calls to all non-respondents. A second mailing went out 15 December and a third, 4 January 1990.

Employer Opinions

OF

OHIO'S

SECTION A

1. **Are you familiar with any of the programs sponsored by the Job Training Partnership Act (JTPA) or Private Industry Council (PIC) in your local areas?**

   [ ] Yes (1) [ ] No (2)

2. **Has your company or organization ever had any involvement with a JTPA/PIC sponsored program?**

   [ ] Yes (1) [ ] No (2)

   If YES, how long ago did participation take place?

   [ ] Currently (1)
   [ ] 1-6 months (2)
   [ ] 7-11 months (3)
   [ ] 1-2 years (4)
   [ ] 3-5 years (5)

3. **Are you aware of any employees hired by your firm who have been involved in a JTPA/PIC program?**

   [ ] (1) No -- Please skip to Section C on page 3.

   [ ] (2) Yes -- Please skip to Section B on page 2.

SECTION B PLEASE CIRCLE THE NUMBER INDICATING YOUR ANSWER

4. How would you rate the quality of work done by employees who were previously JTPA/PIC participants compared to your other employees who do similar work?

1 JTPA employees provide much better quality
2 JTPA employees provide better quality
3 No difference in quality of work
4 JTPA employees provide worse quality
5 JTPA employees provide much worse quality

5. How would you rate the productivity of employees who were previously JTPA/PIC participants compared to your other employees who do similar work?

1 JTPA employees are much more productive
2 JTPA employees are more productive
3 No difference in productivity
4 JTPA employees are less productive
5 JTPA employees are much less productive

6. How would you rate the amount of training required by employees who were previously JTPA/PIC participants compared to other employees who do similar work?

1 JTPA employees need much less training
2 JTPA employees need less training
3 No difference in the amount of training
4 JTPA employees need more training
5 JTPA employees need much more training

7. Do you feel that JTPA/PIC is a good source of skilled labor?

1 Always
2 Usually
3 Sometimes
4 Rarely
5 Never

8. In the last 12 months how many persons has your firm hired?

____ JTPA participants

____ All persons

9. What is the average length of employment for JTPA/PIC participants in your firm?

1 1 to 3 months
2 4 to 6 months
3 7 to 9 months
4 10 to 12 months
5 More than 12 months

10. When considering the costs versus the benefits of hiring typical JTPA/PIC participants, do you feel that:

1 Costs outweigh the benefits
2 Benefits outweigh the costs
3 Costs and benefits are about the same

11. How important are the following factors in deciding to hire JTPA/PIC participants? Please rate from 1 to 5 where "1" is extremely important and "5" is not at all important. Circle the appropriate number.

1 2 3 4 5 a. Lower recruitment cost

1 2 3 4 5 b. Lower training cost

1 2 3 4 5 c. Subsidy provided

1 2 3 4 5 d. Help our corporate image

12. How likely is your firm to hire additional JTPA/PIC participants in the future?

1 Very likely
2 Somewhat likely
3 Not very likely
4 Not at all likely

13. Which of the following categories best describes your business?

01 Agriculture, forestry, fishing
02 Mining
03 Construction
04 Manufacturing
05 Transportation, communications, electric, gas, sanitary services
06 Wholesale trade
07 Retail trade
08 Finance, insurance, real estate
09 Services
10 Government

14. How many people are employed by your organization:

____ At this location

____ Total company, all locations

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SECTION C INDIVIDUAL PROFILE

The person listed below has participated in JTPA/PIC. The questions pertain to this person's employment with your company. If the person has never been employed with your company, indicate this in question 1 and return the survey. Please answer each question carefully. If you are not certain about any answers, please give us your best estimate.

Company:

Employee:

Social Security Number:

1. Date employment began: _____

2. Was this person working for you during the week listed on the label above?

[ ] Yes (1) [ ] No (2)

2a. If YES, How many hours did this person work that week? _____

2b. What was the person's gross pay for work done that week? _____
(Gross pay is wages or salary before deductions)

3. Is this person currently working for you?

[ ] Yes (1) [ ] No (2)

3a. If NO, date employment ended: _____

3b. If employment has ended, please circle the primary reason:

01 Fired	07 Health problem	16 Wanted fewer hours
02 Laid off	08 Family situation	18 Pay rate
03 Job ended/Temporary	10 Benefits	20 Seasonal position
04 Transportation	13 Wanted more hours	21 Pregnancy
06 Took other job	14 Job dissatisfaction	22 Personal disagreement

98 Other: _____

4. Average number of hours worked per week: _____

5. Hourly wage when hired: _____

Hourly wage currently, or when ended: _____

6. Did you receive a subsidy to train this worker through on-the-job training, targeted jobs tax credit or customized training?

[ ] Yes (1) [ ] No (2)

7. **Does your company offer medical insurance or health benefits?** [ ] Yes (1) [ ] No (2)

7a. If YES, is this employee eligible for coverage? [ ] Yes (1) [ ] No (2)

a1. If YES, is coverage available to the employee's family? [ ] Yes (1) [ ] No (2)

7b. Who pays for the coverage? [ ] Shared cost (1) [ ] Employee (2) [ ] Employer (3)

8. **Is sick leave available to your employees?** [ ] Yes (1) [ ] No (2)

8a. If YES, is this employee eligible for sick leave? [ ] Yes (1) [ ] No (2)

8b. Is sick leave paid or unpaid? [ ] Paid (1) [ ] Unpaid (2)

9. **Many JTPA/PIC programs are designed to improve an individual's job seeking and/or employment skills. The following series of questions asks you to assess various aspects of <u>this employee's</u> training and abilities. Circle one response for each question.**

1=Very Good 2=Adequate 3=Poor 8=Not Applicable

1	2	3	8	**a. Resume skills**
1	2	3	8	**b. Employee appearance**
1	2	3	8	**c. Overall work attitude**
1	2	3	8	**d. Communication skills**
1	2	3	8	**e. Acceptance of advice and supervision**
1	2	3	8	**f. Ability to get along with fellow workers**
1	2	3	8	**g. Attendance and punctuality**
1	2	3	8	**h. Job related skills and knowledge**
1	2	3	8	**i. Math and computation skills**
1	2	3	8	**j. Ability to use job related equipment**
1	2	3	8	**k. Ability to work without supervision**

10. **Which <u>one</u> of the following broad categories best describes <u>this employee's occupation</u>?**

1 Professional, Technical, Managerial
2 Clerical, Sales
3 Service
4 Agriculture, Fishing, Forestry
5 Processing Occupations
6 Machine Trades
7 Benchwork/Fabrication/Repair
8 Structural work/Construction
9 Misc. Transportation, Material Handling, and Mining

If response envelope is missing, Please Return to:

JTPA/PIC Evaluation Center
Appropriate Solutions, Inc.
1357 W. Lane Av. - Suite 207
Columbus, OH 43221-3590